

FRESNO COUNTY ECONOMIC FORECAST

Fresno County is the most productive agricultural county in the nation. In each of the last seven years, total agricultural output has exceeded \$5 billion. Grapes are the most prevalent commodity, followed by almonds, poultry, milk, and tomatoes. Fresno County, located in the San Joaquin Valley, has a population of 959,000 people and 355,000 wage and salary jobs. The per capita income in Fresno County is \$34,864 and the average salary per worker is \$48,198.

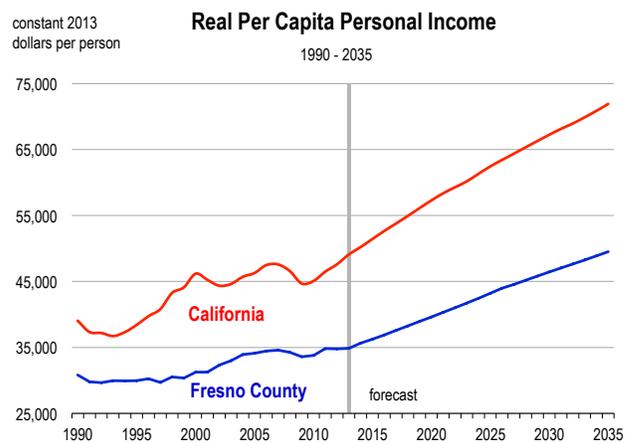
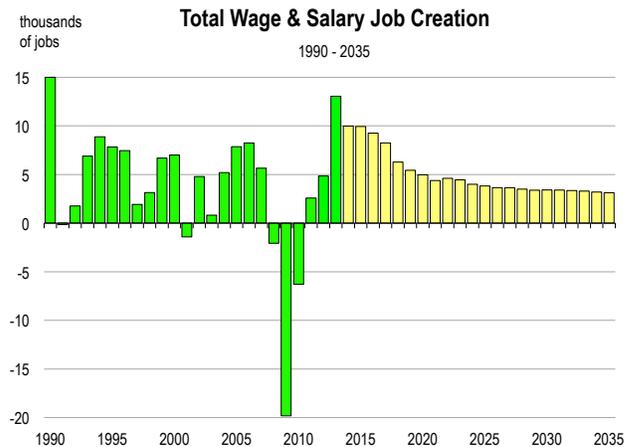
In 2013, employment across Northern California increased by 3.7 percent, whereas employment in the San Joaquin Valley (Fresno, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare counties) grew by 3.5 percent. In Fresno County, employment increased by 13,000 wage and salary jobs, representing a growth rate of 3.8 percent. The unemployment rate improved substantially, falling from 15.0 percent in 2012 to 12.9 percent in 2013.

In 2013, most sectors were characterized by positive job growth. The largest increases were observed in education and healthcare (+4,600 jobs), professional and business services (+3,400 jobs), wholesale and retail trade (+2,300 jobs), and construction (+980 jobs). The largest declines occurred in manufacturing (-730 jobs).

Between 2008 and 2013, the population increased at an annual average rate of 1.0 percent. This growth was entirely due to the natural increase (new births), as total net migration was negative.

FORECAST HIGHLIGHTS

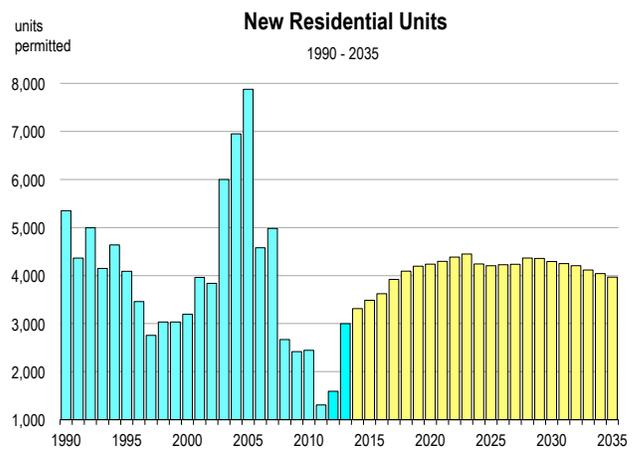
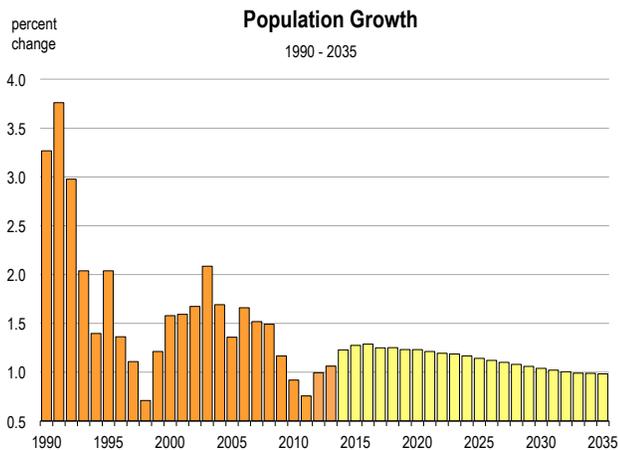
- Total wage and salary employment is expected to increase by 2.8 percent in 2014. Employment in the farm sector will also increase by 2.7 percent. From 2014 to 2019, total employment growth will average 2.1 percent per year, while agricultural growth will also average 2.1 percent.
- Average salaries are currently below the California state average, and will remain so for the foreseeable future. In Fresno County, inflation-adjusted salaries are expected to rise by 1.2 percent per year during the 2014-2019 period.
- Between 2014 and 2019, employment growth will be led by professional services (+10,000 jobs), healthcare and education (+6,100 jobs), leisure and hospitality (+4,100 jobs), and government (+4,100 jobs). Together, these sectors will account for 62 percent of net employment growth in the county.
- Population growth will accelerate over the near term, averaging 1.2 percent per year during the 2014-2019 period.
- Net migration is expected to be positive over the forecast period. Between 2014 and 2019, net migration will average of 2,400 people per year.
- Real income per capita is forecasted to increase by 2.3 percent in 2014, and by an average of 1.8 percent per year between 2014 and 2019.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 2.6 percent per year between 2014 and 2019.
- Industrial production is forecasted to rise by 4.1 percent in 2014. Between 2014 and 2018, industrial production will increase at an average rate of 3.5 percent per year.
- Farm production is forecasted to increase by 0.5 percent per year between 2014 and 2019. The principal crop in the county is the grape.



Fresno County Economic Forecast

2006-2013 History, 2014-2040 Forecast

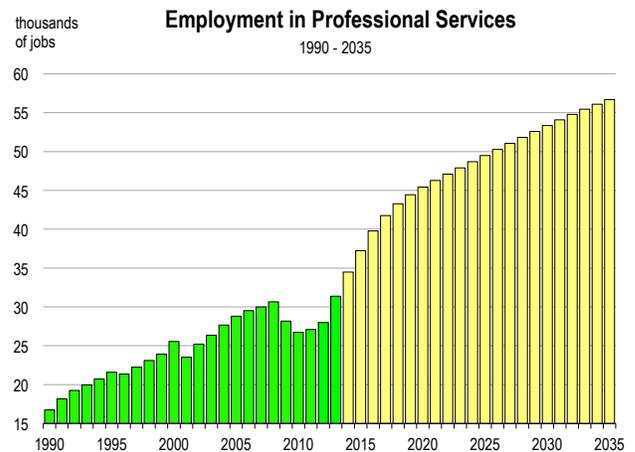
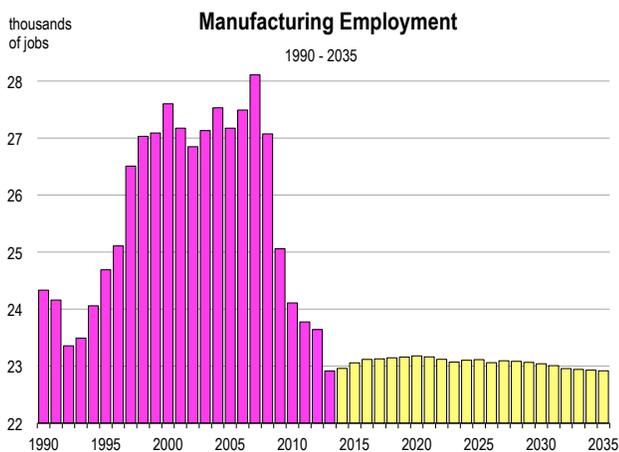
	Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2006	886,376	4,111	711	274.9	4,580	\$12.6	\$26.1	\$34,442	3.2	5.7	6.2	8.0
2007	899,826	2,477	713	280.4	4,979	\$12.3	\$27.5	\$34,573	3.4	6.1	6.5	8.6
2008	913,239	2,168	713	283.9	2,669	\$11.7	\$28.4	\$34,257	3.0	6.2	6.9	10.5
2009	923,895	243	717	287.6	2,416	\$10.0	\$28.4	\$33,588	0.8	5.8	6.6	15.0
2010	932,392	-1,980	721	289.4	2,444	\$10.2	\$29.2	\$33,781	1.3	6.4	6.2	16.8
2011	939,447	-3,282	717	290.8	1,308	\$11.2	\$31.2	\$34,810	2.7	7.1	6.2	16.5
2012	948,790	-531	719	292.4	1,592	\$12.0	\$32.3	\$34,788	2.7	6.7	6.6	15.0
2013	958,866	225	742	294.1	2,999	\$12.8	\$33.4	\$34,864	2.2	6.9	6.7	12.9
2014	970,643	2,019	750	297.1	3,312	\$13.5	\$35.6	\$35,662	2.7	6.9	7.0	11.5
2015	983,011	2,487	758	300.3	3,486	\$14.3	\$37.8	\$36,240	3.2	6.9	7.2	10.4
2016	995,666	2,676	766	303.7	3,622	\$15.1	\$40.1	\$36,893	3.1	6.9	7.5	9.5
2017	1,008,105	2,363	773	307.2	3,920	\$15.9	\$42.4	\$37,583	2.3	7.0	7.7	9.1
2018	1,020,718	2,425	781	310.9	4,092	\$16.6	\$44.6	\$38,254	2.2	7.0	8.0	9.0
2019	1,033,290	2,221	788	314.6	4,195	\$17.4	\$47.1	\$38,965	2.3	7.1	8.2	8.9
2020	1,046,011	2,177	795	318.5	4,238	\$18.2	\$49.6	\$39,626	2.3	7.0	8.5	8.8
2021	1,058,687	1,989	802	322.3	4,296	\$19.0	\$52.3	\$40,323	2.4	7.0	8.8	8.8
2022	1,071,323	1,824	809	326.2	4,384	\$19.9	\$55.2	\$41,021	2.5	7.1	9.1	8.7
2023	1,084,033	1,794	817	330.2	4,448	\$20.7	\$58.1	\$41,701	2.4	7.1	9.4	8.7
2024	1,096,680	1,655	824	334.2	4,241	\$21.6	\$61.3	\$42,450	2.4	7.2	9.7	8.6
2025	1,109,199	1,466	832	338.1	4,204	\$22.6	\$64.7	\$43,232	2.4	7.2	10.1	8.6
2026	1,121,630	1,361	839	341.9	4,225	\$23.6	\$68.1	\$43,986	2.4	7.2	10.4	8.6
2027	1,133,975	1,282	848	345.7	4,235	\$24.6	\$71.5	\$44,544	2.4	7.3	10.7	8.6
2028	1,146,221	1,211	856	349.5	4,365	\$25.6	\$75.0	\$45,176	2.4	7.3	11.1	8.5
2029	1,158,364	1,127	863	353.4	4,357	\$26.7	\$78.7	\$45,805	2.4	7.3	11.5	8.5
2030	1,170,401	999	872	357.3	4,292	\$27.9	\$82.6	\$46,433	2.4	7.3	11.9	8.5
2031	1,182,346	890	880	361.2	4,249	\$29.1	\$86.6	\$47,054	2.4	7.2	12.4	8.5
2032	1,194,221	786	888	365.0	4,205	\$30.4	\$90.7	\$47,642	2.4	7.3	12.8	8.5
2033	1,206,040	646	896	368.8	4,116	\$31.7	\$95.0	\$48,244	2.4	7.4	13.2	8.4
2034	1,217,956	645	904	372.5	4,041	\$33.0	\$99.6	\$48,865	2.4	7.4	13.7	8.4
2035	1,229,925	648	912	376.2	3,968	\$34.4	\$104.3	\$49,511	2.4	7.5	14.2	8.4
2036	1,241,970	670	920	379.8	3,943	\$35.8	\$109.3	\$50,164	2.4	7.5	14.7	8.4
2037	1,254,116	669	928	383.3	3,909	\$37.3	\$114.6	\$50,834	2.4	7.6	15.2	8.4
2038	1,266,356	651	937	386.9	3,849	\$38.8	\$120.1	\$51,521	2.4	7.5	15.7	8.3
2039	1,278,644	617	946	390.4	3,794	\$40.3	\$125.9	\$52,224	2.4	7.6	16.2	8.3
2040	1,291,066	687	954	393.8	3,750	\$41.9	\$132.0	\$52,926	2.4	7.6	16.9	8.3

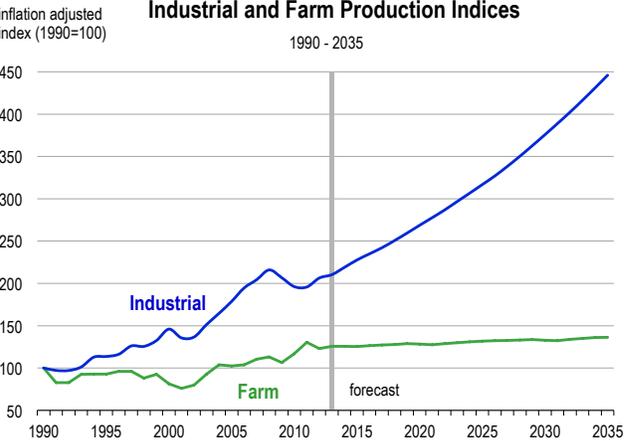
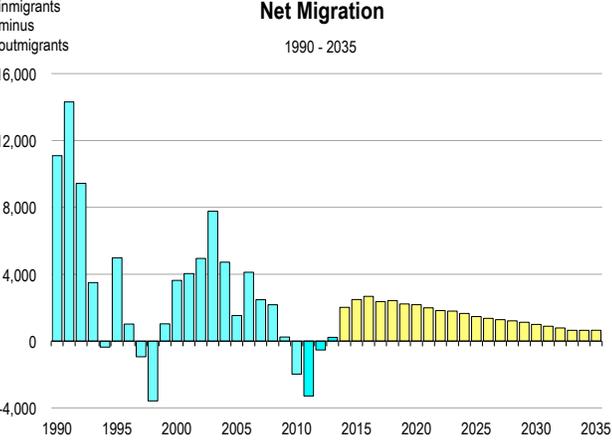
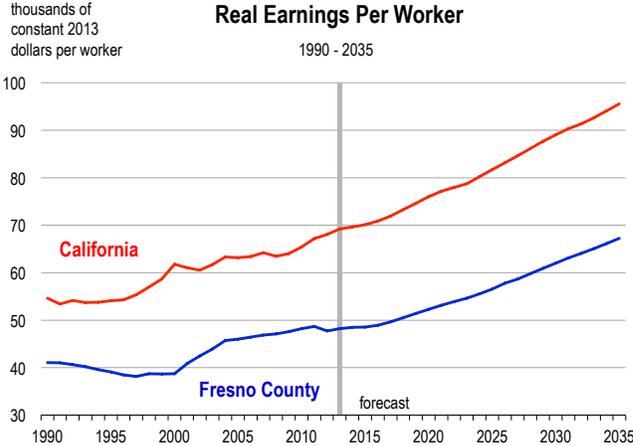
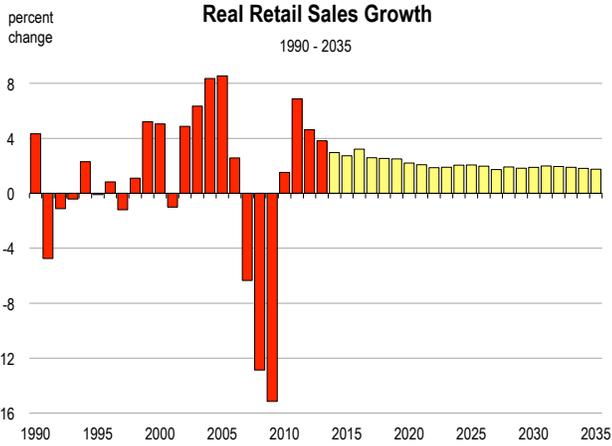


Fresno County Employment Forecast

2006-2013 History, 2014-2040 Forecast

	Total Wage & Salary	Farm	Construction	Manufacturing	Transportation & Utilities	Wholesale & Retail Trade	Financial Activities	Professional Services	Information	Health & Education	Leisure	Government
-----employment (thousands of jobs)-----												
2006	356.6	46.5	23.2	27.5	10.0	48.5	15.5	29.5	4.2	45.0	28.1	67.6
2007	362.2	48.1	21.1	28.1	10.7	49.8	15.3	30.0	4.2	46.6	28.2	69.2
2008	360.1	48.9	17.9	27.1	11.0	48.2	14.8	30.7	4.7	48.4	28.0	70.0
2009	340.3	45.1	13.7	25.1	10.6	45.0	13.8	28.2	4.2	49.1	26.6	68.7
2010	334.0	46.0	12.0	24.1	10.8	44.3	13.4	26.7	3.6	49.1	26.8	67.1
2011	336.6	47.9	11.5	23.8	11.4	45.9	13.0	27.1	3.5	49.4	27.1	65.7
2012	341.5	48.9	12.2	23.6	11.6	46.5	12.8	28.0	3.8	51.1	28.0	64.1
2013	354.5	49.2	13.1	22.9	12.2	48.9	12.9	31.4	3.8	55.7	28.9	64.2
2014	364.5	50.5	14.6	23.0	12.6	49.5	13.1	34.5	3.9	57.1	29.7	64.7
2015	374.4	51.8	15.8	23.1	12.9	49.9	13.3	37.2	3.9	58.6	30.5	65.7
2016	383.7	53.2	16.8	23.1	13.3	50.4	13.5	39.8	4.0	59.7	31.3	66.8
2017	391.9	54.6	17.6	23.1	13.6	50.8	13.7	41.8	4.0	60.9	32.2	67.6
2018	398.2	55.5	17.9	23.1	13.9	51.0	13.8	43.3	4.0	62.0	33.0	68.3
2019	403.6	56.0	18.3	23.2	14.3	51.2	14.0	44.4	4.0	63.2	33.8	68.8
2020	408.6	56.0	18.7	23.2	14.6	51.4	14.2	45.4	4.0	64.4	34.6	69.7
2021	413.0	56.1	19.2	23.2	14.9	51.5	14.4	46.3	4.1	65.6	35.1	70.1
2022	417.6	56.2	19.8	23.1	15.3	51.6	14.5	47.1	4.1	66.8	35.7	70.6
2023	422.1	56.3	20.4	23.1	15.6	51.8	14.7	47.9	4.1	68.1	36.1	71.1
2024	426.1	56.3	20.6	23.1	16.0	51.9	14.9	48.7	4.1	69.2	36.5	71.6
2025	429.9	56.4	20.8	23.1	16.3	52.1	14.9	49.5	4.1	70.2	37.0	72.2
2026	433.5	56.4	20.8	23.1	16.7	52.2	15.0	50.3	4.1	71.2	37.6	72.7
2027	437.2	56.5	20.9	23.1	17.0	52.4	15.1	51.0	4.2	72.2	38.0	73.4
2028	440.7	56.5	20.9	23.1	17.3	52.5	15.1	51.8	4.2	73.2	38.3	74.0
2029	444.1	56.6	21.0	23.1	17.6	52.7	15.1	52.6	4.2	74.2	38.6	74.6
2030	447.5	56.6	21.0	23.0	17.9	52.8	15.1	53.3	4.2	75.2	39.0	75.1
2031	450.9	56.7	21.1	23.0	18.2	52.9	15.2	54.1	4.2	76.3	39.3	75.6
2032	454.2	56.8	21.2	23.0	18.5	53.1	15.2	54.8	4.2	77.3	39.7	76.1
2033	457.5	56.8	21.2	22.9	18.8	53.2	15.2	55.5	4.2	78.3	40.0	76.6
2034	460.7	56.9	21.2	22.9	19.1	53.4	15.3	56.1	4.3	79.4	40.4	77.0
2035	463.8	56.9	21.2	22.9	19.4	53.5	15.3	56.7	4.3	80.4	40.8	77.5
2036	466.9	57.0	21.2	22.9	19.7	53.7	15.3	57.3	4.3	81.4	41.1	77.9
2037	470.1	57.0	21.3	22.9	19.9	53.8	15.3	57.8	4.3	82.5	41.4	78.3
2038	473.1	57.1	21.3	22.9	20.2	54.0	15.4	58.4	4.3	83.5	41.7	78.7
2039	476.2	57.1	21.4	22.8	20.5	54.1	15.4	59.0	4.3	84.6	42.0	79.0
2040	479.2	57.2	21.5	22.8	20.8	54.3	15.4	59.6	4.4	85.6	42.2	79.4





County Economic and Demographic Indicators

Projected Economic Growth (2014-2019)

<u>Expected retail sales growth:</u>	14.3%
<u>Expected job growth:</u>	10.7%
<u>Fastest growing jobs sector:</u>	Professional Services
<u>Expected personal income growth:</u>	16.3%

<u>Expected population growth:</u>	6.5%
<u>Net migration to account for:</u>	19.4%
<u>Expected growth in number of vehicles:</u>	5.1%

Demographics (2014)

<u>Unemployment rate (April 2014):</u>	12.1%
<u>County rank* in California (58 counties):</u>	49th
<u>Working age (16-64) population:</u>	63.6%

<u>Population with B.A. or higher:</u>	19.2%
<u>Median home selling price (2013):</u>	\$152,500
<u>Median household income:</u>	\$43,756

Quality of Life

<u>Violent crime rate (2012):</u>	530 per 100,000 persons
<u>County rank* in California (58 counties):</u>	42th
<u>Average commute time to work (2014):</u>	23.9 minutes

<u>High school drop out rate (2012):</u>	16.8%
<u>Households at/below poverty line (2014):</u>	20.1%

* The county ranked 1st corresponds to the lowest rate in California